

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 59th LEGISLATURE - REGULAR SESSION**

#### **JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL RESOURCES AND COMMERCE**

**Call to Order:** By **CHAIRMAN RICK RIPLEY**, on February 8, 2005 at  
8:00 A.M., in Room 317-C Capitol.

#### **ROLL CALL**

**Members Present:**

Rep. Rick Ripley, Chairman (R)  
Sen. Ken (Kim) Hansen, Vice Chairman (D)  
Sen. Gregory D. Barkus (R)  
Sen. Bob Hawks (D)  
Rep. Walter McNutt (R)  
Rep. John L. Musgrove (D)

**Members Excused:** Rep. Rosalie (Rosie) Buzzas (D)

**Members Absent:** None.

**Staff Present:** Britt Nelson, Committee Secretary  
Eileen Rose, OBPP Representative  
Barbara Smith, Legislative Branch

**Please Note.** These are summary minutes. Testimony and discussion  
are paraphrased and condensed.

**Committee Business Summary:**

Hearing & Date Posted: HB 2  
Executive Action:

**HEARING ON THE DEPARTMENT OF FISH, WILDLIFE AND PARKS: FISHERIES  
DIVISION**

**Don Childress, Administrator of the Wildlife Division,** provided some informational handouts and the requested copy of the Black Bear Deoxyribonucleic Acid (DNA) PowerPoint presentation.

**EXHIBIT(jnh31a01)**

**EXHIBIT(jnh31a02)**

**EXHIBIT(jnh31a03)**

He also readdressed three particular questions he was unable to answer the previous day. The first question concerned the percent of Pitman-Robertson dollars within the Agency. The handout he gave showed the division, the dollar amount, and the percentage that dollar amount equaled.

**EXHIBIT(jnh31a04)**

The second question he addressed concerned where the lab work was conducted and contracted companies. He provided a list of laboratories with which the Wildlife Division contracts and where they are located.

**EXHIBIT(jnh31a05)**

The last question he elaborated on was concerned with the amount of private funds in the Division. He provided the expenditures from Fiscal Year 2004 of private funds spent within the Division.

**EXHIBIT(jnh31a06)**

***{Tape: 1; Side: A; Approx. Time Counter: 0 - 4.5}***

**REP. MUSGROVE** inquired what the cost was of contracting out tests.

**Mr. Childress** replied that it was dependent on the type of test being requested. He used Chronic Wasting Disease (CWD) as an example; in this case the tests ran \$10 per sample.

**REP. MUSGROVE** followed up by asking if CWD tests could be conducted at the Department of Livestock Diagnostic Lab.

**Mr. Childress** believed that the Department of Livestock was not authorized to conduct the testing.

***{Tape: 1; Side: A; Approx. Time Counter: 4.5 - 6.2}***

**Chris Hunter, Administrator of the Fisheries Division of the Department of Fish, Wildlife and Parks,** gave a presentation using PowerPoint slides, discussing the Fisheries Division.

**EXHIBIT**(jnh31a07)

He began the presentation by addressing the mission statement of the Division.

***{Tape: 1; Side: A; Approx. Time Counter: 6.2 - 8.1}***

He covered the key elements of the Fisheries Program beginning with fisheries management.

***{Tape: 1; Side: A; Approx. Time Counter: 8.1 - 17.6}***

The second key element he covered was habitat protection and enhancement.

***{Tape: 1; Side: A; Approx. Time Counter: 17.6 - 23.7}***

The third element was fishing access.

***{Tape: 1; Side: A; Approx. Time Counter: 23.7 - 25}***

The last key element to the Fisheries Division which Mr. Hunter covered was the aquatic education component.

***{Tape: 1; Side: A; Approx. Time Counter: 25 - 29}***

**Mr. Hunter** then proceeded to discuss the license sales and the different funding sources which the Division uses.

***{Tape: 1; Side: A; Approx. Time Counter: 29 - 35.1}***

**SEN. HANSEN** wanted to know if the problem in Lewistown had been resolved.

**Mr. Hunter** explained that the problem had been a two-part problem: First, the raceways had been painted with a paint which contained polychlorinated biphenyls (PCBs) which over time dissolved into the stream. He noted that the Division had just received approval from the Environmental Protection Agency (EPA) to fix the problem. Second, the PCB has been found in the fish, although not in the residents of Lewistown. Mr. Hunter indicated that they had conducted a risk analysis for human health and

ecological impacts. The result of that study was that the only method of transmittal of the PCB contaminants was to eat fish from the stream. They did find that mink and osprey had been negatively affected. The next phase he explained was a feasibility study to see what would be the best method of cleanup.

**Mr. Hunter** finished his presentation with an overview of the Decision Packages (DPs) that were associated with the Division.

**DP 302 -- Lower Yellowstone River Operations**

*{Tape: 1; Side: A; Approx. Time Counter: 35.1 - 47.2}*

**DP 304 -- Statewide Fish Technician Support (Fisheries Field Technician)**

**CHAIRMAN RIPLEY** asked how much of the funding would be coming out of the General Licensing Account.

**Mr. Hunter** informed the Committee members that 40% would be funded out of the General Licensing Account.

**Barbara Smith, Legislative Fiscal Analyst Assistant**, clarified that the actual funding coming from the General License Account would be \$15,500 in 2006 and \$11,800 in 2007.

*{Tape: 1; Side: B; Approx. Time Counter: 0 - 3}*

**DP 305 -- United States Fish and Wildlife Services (USFWS)  
Virology Contract**

*{Tape: 1; Side: B; Approx. Time Counter: 3 - 5.3}*

**DP 308 -- Internal Service Rate Adjustments**

**Ms. Smith** added that when they had been discussing budget change documents, the document she had provided was in relation to the DP because it came in on a budget amendment.

**DP -- Painted Rocks Reservoir Water Payment**

**CHAIRMAN RIPLEY** wanted to know where Painted Rock was located.

**Mr. Hunter** informed him that it was located at the headwaters of the Bitterroot River.

**SEN. HANSEN** asked what the total amount of private donations was.

**Mr. Hunter** indicated that private funds would be around \$400,000. After answering the committee's questions he proceeded to discuss the New Proposals.

**DP 301 -- Fort Peck Hatchery Operations**

**{Tape: 1; Side: B; Approx. Time Counter: 5.3 - 13.7}**

**DP 306 -- Short Term Federal Authority One-Time-Only**

**{Tape: 1; Side: B; Approx. Time Counter: 13.7 - 16}**

**John Wilson, Conservation Director of Montana Trout Unlimited,** commented that the cold water trout programs in Montana have attracted talented individuals to the Fisheries Division. He felt that there were a lot of talented, dedicated and professional individuals in the Division. He mentioned that Trout Unlimited works closely with the Division and has noticed how hard working the employees are. He indicated that approximately 80% of anglers fish for cold water species and 20% for warm water fish. He noted that over the last six years the drought has caused problems for the fishing business. In addition the trout have been increasingly affected by Whirling Disease because of the drought.

**Mr. Wilson** addressed two issues which he felt were important. The first was DP 301 -- Fort Peck Hatchery Operations. He mentioned that they expected expenses to be around \$477,000 for operation and management which would be completely funded by the Warm Water Stamp. He explained that when the hatchery was built, it was built exclusively with federal dollars. Mr. Wilson wanted to point out that the amount of money that had been raised through the Warm Water Stamp would fund the operations and management for approximately four years. He indicated that they were looking at federal sources for the funding including money that would come from the production of endangered species.

**Mr. Wilson** then discussed the Fishing Access Enhancement Program. He claimed that the Program had been a success, allowing the landowners to recuperate costs associated with having people on their land and keeping these areas open to sportsmen. The problem he noted was that the funding was a line-item for \$25,000 per year. He felt that this amount was too small and wanted to see the spending authority expanded.

**{Tape: 1; Side: B; Approx. Time Counter: 16 - 27.7}**

**Ms. Smith** commented that she was aware of the revenue and expenditure issue in the Warm Water Fish Stamp Account and noted that they had started working on the problem.

**Director Hagener** noted that they were aware of the scenario at the Fort Peck Hatchery. He informed the Committee members that they were pursuing federal funding including endangered species. He commented that they felt that the Army Corps of Engineers should provide some funding as they do on the western side of the Divide. The issue with receiving funding from the Army Corps of Engineers is that the fishery has to be built and operating before they could receive federally appropriated dollars. One of the proposed funding sources he mentioned was in the proposed fee-increase bills, increasing the Warm Water Stamp from \$5 to \$7-10.

*{Tape: 1; Side: B; Approx. Time Counter: 27.7 - 31.6}*

**HEARING ON THE DEPARTMENT OF FISH, WILDLIFE AND PARKS: FIELD SERVICES DIVISION**

**Director Hagener** discussed the possible impacts of legislation on the Field Services Division's Decision Packages.

**Glenn Erickson, Administrator of the Field Services Division,** presented a PowerPoint slide show to the Committee.

**EXHIBIT(jnh31a08)**

The first topic he covered was an overview of the organization.

*{Tape: 1; Side: B; Approx. Time Counter: 31.6 - 35.5}*

He then proceeded to cover each of the Units in more detail. The first Unit he covered was the Landowner/Sportsman Relations Unit. This Unit encompassed many different programs but most noticeably, the Block Management Program, which was discussed in great detail.

*{Tape: 1; Side: B; Approx. Time Counter: 35.5 - 51.5}*

*{Tape: 2; Side: A; Approx. Time Counter: 0 - 9.8}*

The next Unit Mr. Erickson discussed was the Lands Unit which included Fish, Wildlife and Parks land conservation programs.

**CHAIRMAN RIPLEY** asked if the number of leased acres had decreased.

**Mr. Erickson** responded that the number of leased acres had decreased from 144,000 to 109,000 acres. He noted that this number included all Department land, not just the Wildlife Division's.

**SEN. BARKUS** wondered if there had been a change in the Department's philosophy regarding leases versus easements.

**Mr. Erickson** answered that there had been, to some degree. He indicated that they still felt conservation easements were an important tool for long-term management, yet they have branched out to long-term leases. These long-term leases allow protection of certain areas, but in order to protect habitat features easements are still needed.

**SEN. BARKUS** followed up by asking why they would not use a lease for a Block Management Land.

**Mr. Erickson** claimed that it could be a tool used in specific situations but because of the tax benefits, state benefits, and the easement payments most people prefer to maintain an easement on their land.

**SEN. BARKUS** wondered if Habitat Montana was the source for most of the easements.

**Mr. Erickson** replied that most was Habitat Montana but some of it was also Forest Legacy money.

***{Tape: 2; Side: A; Approx. Time Counter: 9.8 - 23.1}***

After answering the Committee's questions Mr. Erickson moved on to talk about the Design and Construction Bureau.

***{Tape: 2; Side: A; Approx. Time Counter: 23.1 - 27.1}***

The last Unit he presented was the Aircraft Unit.

***{Tape: 2; Side: A; Approx. Time Counter: 27.1 - 32.9}***

He then proceeded to discuss the funding and budget of the Division.

***{Tape: 2; Side: A; Approx. Time Counter: 32.9 - 36.3}***

**SEN. HAWKS** mentioned that 2/3 of the aircraft needs were contracted out, but at the same time they hold aircraft in

reserve. He wanted Mr. Erickson to clarify why they would do this.

**Mr. Erickson** indicated that the primary reason for doing this was the insurance. He noted that it cost \$3,000 to insure the super-crafts; by holding one in reserve it would keep the insurance costs down. Another reason he gave was that they always had a usable super-crafts when one of the super-crafts were down for maintenance. He noted that the helicopters were in the same situation.

**SEN. HAWKS** wondered about the quality of the hunting preserves set aside for the Block Management Program.

**Mr. Erickson** responded that what Block Management provided was a variety of hunting areas with an eye to quality of land. He mentioned that some landowners want to restrict access to their land.

**SEN. BARKUS** wanted to know why there was no tribal land in Block Management.

**Mr. Erickson** was not sure but did not believe it was in their contracts.

**SEN. HAWKS** commented that **SEN. SMITH** was dismayed at the inability to establish such relationships with the tribes. He requested that Mr. Erickson come back with an answer to **SEN. BARKUS'** question.

***{Tape: 2; Side: A; Approx. Time Counter: 36.3 - 45.7}***

**Mr. Erickson** proceeded to discuss the Decision Packages for the Field Services Division.

#### **DP 201 -- Decreased Block Management Funding**

***{Tape: 2; Side: A; Approx. Time Counter: 45.7 - 49.8}***

**CHAIRMAN RIPLEY** inferred that the Field Services Division had been cutting back while the Enforcement Division had been increasing.

**Mr. Erickson** disagreed with **CHAIRMAN RIPLEY**; he noted that the Enforcement Division had remained the same.

***{Tape: 2; Side: B; Approx. Time Counter: 0 - 11.8}***



**DP 220 -- Restore Block Management Funding**

*{Tape: 2; Side: B; Approx. Time Counter: 11.8 - 15.5}*

**DP 202 -- General Recreation Use of State Lands**

*{Tape: 2; Side: B; Approx. Time Counter: 15.5 - 24.3}*

**DP 205 -- Public Wildlife Interface**

**CHAIRMAN RIPLEY** asked how much money had been left in the Public Wildlife Interface Account.

**Mr. Erickson** reported that they were fully committed at this time and there was no money left in the account.

*{Tape: 2; Side: B; Approx. Time Counter: 24.3 - 29.2}*

**DP 206 -- Net Client Hunting Use (NCHU)**

*{Tape: 2; Side: B; Approx. Time Counter: 29.2 - 35.2}*

**DP 209 -- Internal Service Rate Adjustment**

*{Tape: 2; Side: B; Approx. Time Counter: 35.2 - 35.9}*

**DP 208 -- Urban Wildlife**

**CHAIRMAN RIPLEY** requested to know more about the Urban Wildlife Committee.

**Mr. Erickson** replied that there was a committee formed by the Department consisting of approximately 20 representatives from Missoula, Helena and Billings. There are biologists and wardens as well as citizens on the committee. They provided a document recommending what they felt would be the best action for urban wildlife control.

**CHAIRMAN RIPLEY** followed up by asking if the \$30,000 that the Division was requesting would be used by the communities to follow the management plan and if so how many communities would apply.

**Mr. Erickson** affirmed CHAIRMAN RIPLEY'S assumption concerning the \$30,000. He noted that the money would be used for contracting individuals to guide communities in following through with the

management plan. He was unsure about the number of communities that would apply.

***{Tape: 2; Side: B; Approx. Time Counter: 35.9 - 50.2}***

**CHAIRMAN RIPLEY** assumed that the Division had a management plan that would assist the communities so they wouldn't have to start over and develop their own management plans.

**Mr. Erickson** responded that what they had developed was not a management plan but a document which gives communities guidance on where to go to find information as well as recommendations on how to set up and organize a management plan.

**CHAIRMAN RIPLEY** wondered if Statute 7-31-4110 required that there be money allocated to the Division to implement the urban wildlife control plan.

**Mr. Erickson** explained that the Statute did not require the appropriation. What it did require was to review the plans and work with the cities.

**SEN. HAWKS** requested a clarification on an answer concerning the Hunting Access Enhancement Program. He pointed out that the graph provided for this information did not correspond with Mr. Erickson's depiction, that one category of fees remained stable and one decreased.

**Mr. Erickson** informed the Committee that they had anticipated more revenue would come in from the Variable Price License than actually had come in. The reason he gave for not having the revenue was the decline in sales and the fact they had to decrease the price. This caused more authority than revenue in the Program.

***{Tape: 3; Side: A; Approx. Time Counter: 0 - 3.6}***

**SEN. HAWKS** noted that the expenditures began to drop in anticipation of the sunset in 2003 but the total cumulative expenditures were actually higher.

**Mr. Erickson** replied that they had dropped expenditures from 2004 and 2005.

***{Tape: 3; Side: A; Approx. Time Counter: 3.6 - 4.7}***

**HEARING ON THE FISH, WILDLIFE AND PARKS DEPARTMENT: ENFORCEMENT  
DIVISION**

**Jim Kropp, Chief of the Enforcement Division**, addressed the Committee next. He asserted that the Division not only worked with enforcement but education as well. He also provided a PowerPoint presentation for the Committee members.

**EXHIBIT(jnh31a09)**

***{Tape: 3; Side: A; Approx. Time Counter: 4.7 - 7.8}***

He gave a brief overview of the Law Enforcement Division's mission statement and the number of full-time equivalents (FTE) in the Division.

***{Tape: 3; Side: A; Approx. Time Counter: 7.8 - 9.2}***

The next topic he covered was the major functions of the Division.

***{Tape: 3; Side: A; Approx. Time Counter: 9.2 - 11.8}***

He then presented information on the proportion of field activities from 2004.

***{Tape: 3; Side: A; Approx. Time Counter: 11.8 - 16}***

The next topic was the funding sources for the Division.

***{Tape: 3; Side: A; Approx. Time Counter: 16 - 16.7}***

He then addressed the Fish, Wildlife and Parks enforcement efforts.

***{Tape: 3; Side: A; Approx. Time Counter: 16.7 - 19.7}***

He then proceeded to cover the increasing responsibilities and significant impacts that the Division has been facing.

***{Tape: 3; Side: A; Approx. Time Counter: 19.7 - 29.6}***

**Mr. Kropp** moved on to discuss the licensed facilities and activities associated with the Division.

***{Tape: 3; Side: A; Approx. Time Counter: 29.6 - 32.5}***

He then addressed the increase in recreation activity and its affect on the Division.

***{Tape: 3; Side: A; Approx. Time Counter: 32.5 - 39.3}***

The next topic which Mr. Kropp addressed was the Present Law Base Adjustments.

**DP 401 -- Warden Overtime Compensation**

**CHAIRMAN RIPLEY** wondered if the \$40,000 per year was to address the increases in wages.

**Mr. Kropp** responded that \$200,000 would be for overtime hours in addition to the normal work hours of the Enforcement Officers so that the Officers would be able to respond to calls, work holidays and peak-use periods.

**CHAIRMAN RIPLEY** reiterated that the \$40,000 per year, additional to the \$163,000, was what he had been concerned with.

**Mr. Kropp** remarked that overtime had been traditionally \$200,000. He noted that the \$162,000 had been reported by the Legislative Fiscal Division but did not reflect the benefits and raises.

**SEN. HANSEN** wanted to know what the turnover rate was and if it was a factor.

**Mr. Kropp** explained that traditionally game wardens had the longest period of employment in State government. He mentioned that it was changing because there were other jobs in law enforcement that were easier and required less hours.

***{Tape: 3; Side: A; Approx. Time Counter: 39.3 - 50}***

***{Tape: 3; Side: B; Approx. Time Counter: 0 - 1.1}***

**SEN. BARKUS** requested that Mr. Kropp explain what he had meant when he had stated that game wardens had 80 hours to get their overtime in.

**Mr. Kropp** explained that the \$200,000 approximately equated to 80 hours of overtime for each game warden. Based upon the call-outs and balancing their time, the wardens are asked to spread out the 80 hours throughout the year.

**SEN. BARKUS** followed up by asking how many hours of overtime was represented by the \$200,000.

**Mr. Kropp** reiterated that it was an 80-hour cap but they could also work comp time.

**SEN. BARKUS** wanted to know if the comp time was covered in the \$200,000.

**Mr. Kropp** replied that the time-and-a-half, comp time, was covered in the \$200,000.

*{Tape: 3; Side: B; Approx. Time Counter: 1.1 - 3.4}*

**SEN. HAWKS** wondered what the effect on the budget would be if there was comp time substituted for time-and-a-half.

**Mr. Kropp** answered that it would be significant. They had a limit of 120 hours maximum in the comp time category. Generally when the comp time is being taken off, as is required, someone has to cover the warden district. This causes problems providing coverage statewide.

*{Tape: 3; Side: B; Approx. Time Counter: 3.4 - 4.6}*

#### **DP 403 -- Bison Hunt**

**REP. MUSGROVE** wanted to know why Montana has handled the bison hunt situations differently from the way Wyoming has, considering the difference in public opinion.

**Director Hagener** responded that Wyoming has had two different bison hunts for some time. One of them, the larger one, is focused upon bison leaving Yellowstone through the Grand Tetons and going into the north end of the elk refuge. The second one occurs in the Cody area and allows 12 permits for bison. He was unsure why they did not get as much attention with their hunts because they are the same type of hunts. He speculated that the major detractors live in Montana; Wyoming has had more of a fair chase than Montana has had, and Wyoming has not had as much of an issue with the livestock.

*{Tape: 3; Side: B; Approx. Time Counter: 4.6 - 9.3}*

**SEN. BARKUS** claimed that the bison were not leaving the park in November.

**Mr. Kropp** replied that most years the migration depends upon the weather but typically the bull bison will wander off the park grounds starting in November.

*{Tape: 3; Side: B; Approx. Time Counter: 9.3 - 11.1}*

**DP 411 -- Block Management Program and DP 406 -- Adjust County  
Water Safety**

**SEN. BARKUS** wanted to know what the Division's experiences had been with the decals being on only one side of the boat.

**Mr. Kropp** expressed that it had made it more difficult for the Division but more convenient for the public. He explained that there were problems with identifying boats with or without decals.

**SEN. BARKUS** asked why they only used one sticker.

**Mr. Kropp** noted that typically Coast Guard standards were to have one on each side of the boat, so he was unsure why there was the decision to include only one decal.

**REP. MCNUTT** wanted to know if it was possible to get two decals because when a boat was taken out of Montana there could be problems having only one.

**Mr. Kropp** explained that in order to get two decals there would have to be a change in the law.

*{Tape: 3; Side: B; Approx. Time Counter: 11.1 - 18.3}*

**DP 412 -- Internal Service Rate Adjustment**

*{Tape: 3; Side: B; Approx. Time Counter: 18.3 - 19.1}*

**DP 402 -- Commercial Licensing**

*{Tape: 3; Side: B; Approx. Time Counter: 19.1 - 24.5}*

**DP 407 -- Short-term Federal Contract Authority**

**CHAIRMAN RIPLEY** wanted to know how much money had been in the budget last session.

**Mr. Kropp** responded that there had been \$20,000, which was all from a budget amendment and none from federal authority.

**CHAIRMAN RIPLEY** asked if the \$12,800 was all that they had spent in the three budget amendments.

**Mr. Kropp** answered that two payments, one for \$8,000 and another for \$7,000, came from TipMont to the Forest Service and \$3,500 had gone to the Rocky Mountain Helena Network.

**{Tape: 3; Side: B; Approx. Time Counter: 24.5 - 30.5}**

**DP 408 -- Regional Investigators**

**REP. MUSGROVE** questioned if the Department would mind if the DP was made one-time-only (OTO).

**Mr. Kropp** indicated that the general preference was to not have the position be OTO since it was a detective position which would require trained individuals. They were hoping to keep it as a permanent position to draw those qualified individuals.

**REP. MUSGROVE** interpreted this to mean that the Division was trying to give the applicants the assurance that they would have an extended period of employment, yet the Committee might see some sort of necessity for the Division to report back in two years. He wanted an assurance that this would happen.

**Ms. Smith** indicated that the Committee could add language which would require them to appear in front of the Committee with a report on their activities or language that would require them to report to their oversight committee, which was the Environmental Quality Committee.

**CHAIRMAN RIPLEY** wondered if they would reconsider DP 408 if there was no increase in the General Licensing Fee.

**Mr. Kropp** replied that DP 408 was contingent upon the Resident License Fee Increase and if it did not pass then DP 408 would not go through.

**Ms. Rose** interjected that all of the DPs that were in the budget book were funded under the current funding scheme so it would not be contingent on the funding increases in HB 172. She noted that there were some DPs that had been approved later that were contingent but this particular one was not.

**Sue Daly, Budgeting Development and Analyst of the Administration and Finance Division**, responded that when they had prepared the budget packages all of the DPs had been funded by the current license structure. She mentioned that there were two additional DPs which were dependent on the fee increase bill. They were important to the Department and would be funded even if the bill did not go through.

**SEN. BARKUS** wanted to know for what two regions they wanted the detective positions.

**Mr. Kropp** commented that they were set up regionally but were available to travel statewide. The pilot program included one investigator for each region but that was pared down to two investigators.

**SEN. BARKUS** reiterated his question, asking if the investigator would be assigned to a specific region or if they would work in all the regions.

**Mr. Kropp** replied that they would be allowed to work in regions one through seven statewide, but they would generally be assigned to a smaller station.

*{Tape: 3; Side: B; Approx. Time Counter: 30.5 - 49.5}*

**DP 409 -- Season Water Safety Officers**

**CHAIRMAN RIPLEY** requested that Mr. Kropp address the comment from the Legislative Fiscal Divisions (LFD) about the funds being at risk.

**Mr. Kropp** reported that the comment had to do with prior legislation that put Montana out of compliance with Coast Guard standards for funding purposes. He mentioned that SB 126 would allow the Division to provide a three-year validation sticker that would keep Montana in Coast Guard compliance for funding and their legal assessment for other states.

**CHAIRMAN RIPLEY** asked if DP 409 was contingent upon the passing of SB 126.

**Mr. Kropp** believed it was not.

**SEN. BARKUS** wondered if the LFD comment had meant to say "reinstating annual boat registration."

**Ms. Smith** indicated that her comment was concerned with the funding from the federal government being at risk unless there was some process to recognize a boat on an annual basis.

**SEN. BARKUS** thought the bill only required an individual to register and receive a sticker every three years.



**Mr. Kropp** asserted that the minimum time the Coast Guard would accept is every three years, although most states do it annually.

***{Tape: 4; Side: A; Approx. Time Counter: 0 - 6.3}***

**REP. MCNUTT** asked if SB 126 could be modified to include two stickers.

**Mr. Kropp** believed that there would be two validation stickers required for boats under SB 126.

**SEN. HAWKS** recalled that there were no fees for the decals.

**Mr. Kropp** affirmed this comment.

***{Tape: 4; Side: A; Approx. Time Counter: 6.3 - 7.9}***

**ADJOURNMENT**

Adjournment: 11:40 A.M.

---

REP. RICK RIPLEY, Chairman

---

BRITT NELSON, Secretary

RR/bn

Additional Exhibits:

**EXHIBIT ([jnh31aad0.TIF](#))**